DOCUMENT RESUME

ED 186 033 IR 008 402

AUTHOR Oulton, A. J.
TITLE Factors Affecting End-User Charges for On-Line Bibliographic Information Retrieval Services in Public Libraries.
PUB DATE 79
NOTE 12p.: Paper presented at the International Online Information Meeting (3rd, London, England, December 4-6, 1979).
AVAILABLE FROM Learned Information, Ltd., Besserleigh Road, Abingdon, Oxford OX13 6EF, England (50.00 British pounds).

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Cost Effectiveness; *Fees; Foreign Countries; *Information Retrieval; Information Services; Information Systems; *Online Systems; Opinions; *Public Libraries
IDENTIFIERS *Great Britain

ABSTRACT

This essay presents an outline of the elements that need to be considered with regard to the question of end-user fees for online information retrieval services in British public libraries. The points are culled from many sources, including the experience of the United States, talks with online workers, and, in particular, discussions in the Working Party of the Bibliographical Information Retrieval Online Service (BIROS) Project. Factors addressed are political influences, the value of information and online services, the legal position of free public libraries, types of costs and charges, and discriminatory charges and implications of charging. Examples of the policy and practice of libraries in the British Library Research and Development Department's projects are given. (FM)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED186033

U S DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

FACTORS AFFECTING END-USER CHARGES FOR ON-LINE BIBLIOGRAPHIC INFORMATION RETRIEVAL SERVICES IN PUBLIC LIBRARIES

by

A.J. Oulton

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

B.J. Williams

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

IR008402

FACTORS AFFECTING END-USER CHARGES FOR ON-LINE BIBLIOGRAPHIC INFORMATION RETRIEVAL SERVICES IN PUBLIC LIBRARIES

A.J. Oulton, Manchester Polytechnic, U.K.

Keywords: Charges, Fee for service, On-line systems, Public Libraries.
Abstract: The number of public libraries in the UK offering some information retrieval service using commercially available computerized systems will have increased from 2 in December 1978 to at least 18 in early 1980. Most of these libraries are taking part in BLR & DD supported projects. One important area being studied is the cost of providing on-line services and the question of whether some of the costs should be recovered by charging end-users. Factors affecting the imposition of charges are discussed. These centre on politics, the value of information and on-line services, the principle and legal position of free public libraries, types of costs and charges, discriminatory charges and implications of charging. Examples of the policy and practice of libraries in the BLR & DD's projects are given.

1 INTRODUCTION

This paper presents an outline of the factors that need to be considered with regard to the question of end-user charges for on-line bibliographic information retrieval services in British public libraries. The points are culled from many sources including the experience in the United States (Ref 1), talks with on-line workers and in particular many hours of discussion in the Working Party of the Bibliographical Information Retrieval On-line Service (BIROS) Project (Ref 2). The BIROS Project is a joint experiment between the Department of Library and Information Studies, Manchester Polytechnic, and the Lancashire County Library to provide an on-line information service for the general public. It is partially supported by a grant from the British Library Research and Development Department (BLR & DD). The views expressed are the author's own interpretation of these discussions. The presentation is intended to be objective although the author is against charges on principle.

2 A POLITICAL DECISION

The question of charging end-users has caused some controversy in the United States and similar arguments are going on in other countries (Ref 3). In the United Kingdom the Association of County Councils, which is a Conservative controlled body, put a document to the British Government in July this year suggesting that to save money there should be a 'radical redirection of basic welfare services', including the introduction of charges for using public libraries (Ref 4). The Government is reported to be not opposed to such a change, although this would require new legislation. The Library Association, partly in anticipation of such moves, has a

Working Party considering the question of charges in general and for computer-based services in particular. The debate is political in that it is concerned with discussing the socially desirable ends for information systems and the question of the allocation of resources to achieve those ends. While the debate seems to centre on means it is really about ends (Ref 5).

3 CURRENT PUBLIC LIBRARY INTEREST

Public librarians in the UK have only recently become involved in the use of computer-based information retrieval systems. When Stella Keenan gave a paper on the topic to last year's Library Association Conference she drew an interested and appreciative audience (Ref 6). There are now at least eight public libraries in the United Kingdom operating some form of on-line bibliographic information service, that is using computer-based commercially available on-line information storage and retrieval systems to support their information service. It is likely that by June 1980 the number will have more than doubled to 20 plus. Most of the public libraries currently running such services have some support from the BLR & DD. BLR & DD are supporting the BIROS Project already mentioned and a parallel project involving the city libraries of Birmingham, Liverpool and Sheffield and the county libraries of Cheshire, Hertfordshire and Leicestershire (Ref 7). There are also several other public libraries experimenting with teletext and viewdata systems. Especially interesting is the joint Aslib/Library Association research programme on the use of Prestel (Ref 8). It seems possible that growth in this area is likely to be more rapid than the use of bibliographic on-line systems.

4 VALUE AND PROBLEMS OF ON-LINE

The value of on-line systems to public librarians needs little explanation. It allows them quite quickly to carry out what are often complex or time-consuming searches of large bibliographic files. In addition for a public library authority like Lancashire, which serves a geographically dispersed community (Ref 9), there are two other benefits. Firstly the Lancashire Library subscribes to comparatively few hard copy indexing and abstracting services, and these are generally only available at the central site in Preston. The on-line service therefore greatly expands their information retrieval capacity. Secondly an on-line service, perhaps using a portable terminal in the first instance, allows the Library to offer a limited in-depth information service from any of the district libraries, in addition to the central site service which is available to the whole County. On-line systems do have their limitations, especially with regard to the need for trained intermediaries, subject knowledge, data-base availability and the still heavy American bias in many areas. This last aspect is perhaps best illustrated by the difficulty of trying to answer queries for example on education on-line using the ERIC data-base, because of the quite different use of terms and concepts on each side of the Atlantic. It is also not yet clear how far output in the form of bibliographic references is of real use to the actual or potential end-user of on-line services in public libraries. The value for special and academic library users has already been demonstrated (Ref 10), but it may well be that data-banks, data-bases with hard information, will be what the public library's clientele will prefer to use. In fact an important part of the BLR & DD funded projects already mentioned is to see what the use of on-line services actually is and who the users really are. This information should allow public librarians to make informed and intelligent decisions

about the provision of such services.

In an ideal world public librarians generally would like to offer the full range of on-line systems and data-bases at no charge to their clients. However resources are limited and, it seems, are becoming more limited almost daily. Although public librarians do not have to provide everything their users might desire they are coming to realise that to offer a comprehensive information service they should provide access at least to on-line bibliographic systems for those information sources they do not already subscribe to in hard copy form, or for those data-bases, like the New York Times INFORMATION BANK, which are only available on-line. However they then have to face the problem of how to fund such services. The cost of establishing and maintaining data-bases and systems software is high and such costs are passed on to the user. This is so even when the on-line facility originated as a by-product of hard copy publishing, as in the case of INSPEC, or where the original system was developed with government research funding, as in the case of Lockheed DIALOG. Although the overall cost of searching on-line data-bases would seem to be coming down, public librarians tend to view such costs as an additional drain on their limited resources. It must be pointed out that expenditure on buying information retrieval tools is not new in itself. What is new is the size of on-line expenditure per item and the fact that the cost is immediately identifiable, whereas the cost of traditional retrieval tools is usually lost in the general budget. On the other hand public librarians might save as much, or more than, the on-line costs by ending subscriptions for hard copy items, provided that the on-line service is freely available to all at no charge (Ref 11).

5 THE VALUE OF INFORMATION

Public librarians tend to see their prime function as the provision of books and similar materials. To provide on-line facilities they have to face the question of recovering some or all of the cost from the end-user. At a general level two contrasting views exist on the question of cha-ging for such services. One view expressed by the agent of an American on-line system, is that on-line information is expensive; that if people, that is the British people, have to pay for it they will realise this and appreciate its worth rather more (Ref 12). The other view was well expressed by Bob Usherwood at the Library Association Conference last year when he said in the discussion after Stella Keenan's paper (Ref 5) that "information is too valuable to be left to the morals of the marketplace" (Ref 13). Proponents of the latter view argue that 'information is a right, a prerequisite for...individual men...or...mankind to act as persons responsible for the way the world is developing, and that the imposition of charges would change the concept of information as a right and lead to an unclear concept of information as a commodity' (Ref 14). Access to information on health, pollution, the operation of the State and large companies is seen as a need and a social right, a right would be more important with a 'freedom of information act'. In slightly different contexts similar arguments have been put forward by the National Consumer Council and others (Ref 15). In economic terms such information can be seen as a 'public good' that is something which benefits society as a whole and which should be funded accordingly. Information which only benefits an individual can be considered as a 'private good' and so funded. However even information which might seem to contribute only to an individual's well-being might have spill-over effects (externalities) which are socially desirable. The user who requested a Biros search on references to build a

polyphonic music synthesiser probably derived great personal satisfaction and benefit from it but progressive or polyphonic music fans at least might argue that it benefitted the rest of society as well. The provision of an on-line service is different in some ways. Principally that books are available for further multiple use after each consultation, while the on-line search consumes a limited and measurable amount of resources. The provision of an on-line service then might well be viewed as a 'merit good' with both private and public aspects of benefit. The question is which should be more important with regard to funding. Should the on-line service be treated like roads which are supported from public funds, or like gas and electricity for which the end-user pays for the amount consumed?

6 THE LEGAL POSITION

These philosophical and political questions are further complicated in the United Kingdom by the legal position of public libraries. The sanctity of the free public library service is enshrined in law. The Public Libraries and Museums Act states that "no charge shall be made by a library authority...for library facilities made available by the authority" except as specifically provided for in the Act, which includes fines and reservation charges of course (Ref 16). However the Act does allow charges for "facilities (which)...go beyond those ordinarily provided by the authority" (Ref 17). It is presumably under this clause that public libraries charge for the loan of pictures and gramophone records, even though the Act earlier states, under the general duties of library authorities, the desirability of making "facilities...available for the borrowing of...pictures, gramophone records" and other material (Ref 18). The Act also allows charges for "catalogues or indexes, or any similar articles, (which)...become the property of persons to whom they are supplied" (Ref 19). It might be argued that what the end-user would pay for is the print-out bibliography - even if that were to cost £25+ for one reference! Although there would need to be a court case to clarify the meaning of the Act there do seem to be operational precedents and legal grounds for the imposition of charges for an on-line service. It has already been suggested that the legal position might be altered under the present Government. However the library profession both here and in the United States have published statements which come out strongly in support of free public library services (Ref 20).

7 COSTS AND CHARGES

If a public librarian does decide to impost charges he then has to consider what to charge for and how. The costs of an on-line service may be summarised as

A Capital, or one-off costs - for example the purchase of a terminal and the installation of a direct telephone line

B Overhead costs - for example staff and standing charges

C Variable, or marginal costs - comprising (C1) the costs of telecommunications and computer time, which are called here search-specific costs, and (C2) staff time spent in searching.

There are also

D Spin-off costs, for example increased demand for inter-library loans and the cost of collecting the charges themselves (Ref 21).

Public librarians might decide to pass on a part, or all of these costs in a variety of ways of which the following are only a selection:-

W Search specific (C1) costs only

X Search specific plus a proportion of other costs

Y A flat rate fee, with or without an addition for off-line prints

Z Some mixture of the above

They might also consider the possibility of end-user determined 'donations', although it is not clear how this would work in a public library (Ref 22). A further question to be decided is whether charges should be set at a break-even or profit making level. In the latter case some of the profit could be used to subsidise end-users without adequate funds.

Public librarians generally accept A and B as a part of their operational expenses, and usually staff time spent searching (C2) as well. Charging will then tend to be W or Y. The Aslib and the Science Reference Library charge for their on-line services exemplify the two methods of flat rate and variable charging. A flat rate system has the advantage that the end-user knows, within limits, the likely cost of a search beforehand. Cheaper searches may also subsidise more expensive ones. On the other hand variable charging secures payment for use, but some charges may be quite high. A public librarian's options for charging may also be limited by the British Post Office's control over charging third parties for telephone time or agreements imposed on them as intermediaries by systems providers (Ref 23).

8 DISCRIMINATORY CHARGES

Another factor to be considered is whether to charge the same rate to individuals and businesses and organisations. Library staff involved in the BLR & DD's public library projects tend to express the opinion in interview that they think the on-line service should be free in principle, but that it is not unreasonable to expect firms and business people to pay (Ref 24). Charging private individuals and business people the same might well discriminate against the former with regard to an on-line service (Ref 25). Certainly some public libraries now do charge businesses for standard services which other public libraries provide free to the same sort of client. As for on-line charges there is the problem, which is not insurmountable, of deciding whether a request comes from a person in their private or business capacity. Furthermore those people in businesses and organisations who see the value of an on-line service are often not the ones who hold the purse strings. This seems to be true in Lancashire, for example, in the case of hospital end-users where the hospital librarians see the benefit of on-line searches but do not have the resources to pay even a limited fee and are not in a position to exert pressure to re-direct funds. Part of the BLR & DD supported on-line projects will be to consider the impact on end-users of the charging policies discussed below.

9 EXAMPLES OF CURRENT PRACTICE

As already explained there are seven public libraries taking part in current (July 1979) experiments in the provision of on-line bibliographic services and by December 1979 this number will have increased to eighteen. The general desire of the public librarians of the seven libraries is that the service should be free, on the basis of the principles outlined above. However in some cases this has been tempered by the 'pragmatics' of establishing a new service, often at fairly short notice, and the decisions of their political masters. Consequently each has taken his own line with regard to the provision of the service and the question of charges. Such diversity is being encouraged by BLR & DD and should produce, by early 1980, a number of guidelines for the operation of public library on-line services.

For the Biros Service the Lancashire Library and Leisure Committee decided that there should be a flat rate charge of £5 for each standard search conducted for any individual or organisation. A standard search is defined as up to fifteen minutes on-line time and up to fifty references. In the case of 'exceptional' searches the County Librarian is empowered to charge the search specific costs, as defined above. The £5 flat rate is applicable to those who work, reside or are being educated in Lancashire. It is possible that even if the Library and Leisure Committee decides after the experimental period on an essentially 'free' service that the £5 charge might remain as a way of controlling demand (Ref 26) and as a minimum charge to prevent trivial requests, or as we call it 'an idiot deterrent'. Individuals and organisations outside the Lancashire County boundary may use the Biros Service, but if so they are charged the incurred costs, the search specific costs, for the search. Searches carried out on behalf of the County Council, e.g. for the Planning Department, are entirely subsidised by the Library. This is partly because paper transactions of money between departments is generally accepted as uneconomic. It might be argued on similar grounds that searches for higher education establishments, financed by local government, should also be free. During the experimental period BLR & DD are subsidising the cost of the first standard search for each user who is eligible for the flat rate. Even though the Biros Service is openly available to the public the Computerised Information Retrieval Services Librarian, in charge of the Service, retains his professional responsibility for deciding whether a request is suitable for an on-line search or not.

Requests sent in to the Lancashire Technical or Reference service which cannot be answered manually or seem potentially to be more efficiently answerable on-line are referred to the on-line service. If a search is carried out successfully the first five citations are sent to the requestor with a note to the effect that the references were obtained as a result of a computer search, and that there are a further x number of postings which could be retrieved by requesting a Biros search. In the above cases for this 'in-house' use the Lancashire Library pays all the costs.

The libraries in the parallel project have not received the same extent of support from BLR & DD and have adopted different strategies for providing their service. At one extreme Liverpool have not advertised their service. Information requests submitted to the existing reference service are dealt with on-line, at the discretion of the departmental heads, if that seems the best, or last, chance. At the other end of the spectrum Birmingham is publicising its service, with an initial emphasis on particular subject areas, and is charging a flat rate of £10 for up to ten minutes searching with a £1 a minute surcharge above that, that is roughly the search specific

costs. Two public libraries, which are now in the parallel project, were using on-line searching before the BLR & DD's projects began. The two are Hertfordshire and Cheshire. Cheshire uses its service 'in-house', like Liverpool, and for local government queries although it did carry out on-line searches for the local health authority at a fee until it ran into trouble with BLAISE. Hertfordshire Technical Book Service operates in a similar fashion but also carries out 'on demand' searches for the public. For such requests Hertfordshire charges the same rate as the service provided at Hatfield Polytechnic. This seems to be for political rather than economic reasons. Hertfordshire T.B.S. argue that they have covered the costs of the on-line service by ending subscriptions to a number of little used hard copy indexes and abstracts.

10 AN OPEN DEBATE

The BLR & DD's projects are intended to provide public librarians with information and guidance on the establishment of on-line services. The decision to charge for on-line bibliographic information retrieval services is one of the key questions to be faced. A decision to charge may well set precedents for the provision of other computer based services such as Prestel which might be more in demand in public libraries. There are also of course more general implications of charging for other services.

A final question is whether the public will pay and if so how much. As Dammers put it, 'is there an economically viable potential demand for on-line bibliographic services?' (Ref 27). At the moment, based on the experience of Lancashire, and Birmingham, it seems that there is. Whether the public should, or will have to pay the piper for playing their tune, even on a polyphonic music synthesiser, is still open to debate.

NOTES AND REFERENCES

1 Probably the most easily accessible and comprehensive sources of information are

Summit, R.K. and Firschein, O.
Investigation of the public library as a linking agent to major scientific, educational, social and environmental data bases (DIALIB Project)
Two year interim report (3 vols) Lockheed Information Systems 1976
Final report (2 vols) " " " 1977

2 A study of public library provision of on-line bibliographical information retrieval services, July 1978-March 1980. British Library Project SI/G/273.

3 See for instance
Blake, F. and Perlmutter, E. 'Libraries in the marketplace' Library Journal 99 (2), 15 Jan 1974, 108-111

De Gennaro, R. 'Pay libraries and user charges', Library Journal 100(4), 15 Feb 1975, 363-367

'The key word was access' Library Journal 102(14), Aug 1977, 1555-1572

Parry, J., 'Fighting fees in California', Library Journal 103(2), 15 Jan 1978, 119.

Journal of Informatics 2(3), Dec 1978, 135-143

4 'Councils ready to slash basic services'
The Guardian, 10 July 1979, 1 & 28

Cf. Line, M. 'Serving users in hard times',
New Library World, 77 (915), Sept 1976, 174-176
and De Gennaro, op.cit., p.366.

6 Keenan, S. 'On-line information services in public libraries',
Proceedings of the study school and national conference, Brighton, 1978
Library Association, (n.d.), 167-174

7 Experimental use of on-line terminals in public libraries,
October 1978-March 1980.

8 The Viewdata, public libraries and community information newsletter,
Aslib/Library Association, 1978 -, is a useful source of information on
the two projects
'The impact of access to Viewdata on public library reference services',
and 'Viewdata as a conveyor of community information'.

9 Lancashire County's population is 1,378,100 spread over 1173.5 sq. miles.
The library service is currently divided into 14 districts.

10 See for example Vickery, A. and Batten, A. (reference p 44)
University of London, 1978.
and Elman, S.A. 'Cost comparison of manual and on-line computerized
literature searching', Special Libraries, 66, Jan 1975, 12-18

11 Crawford, P.J. and Thompson, J.A. ('Free online searches are feasible',
Library Journal, 1 April 1979, 793-795) argue that in an academic
library computer search costs are offset by savings in staff time on
complex searches. See also Elman, op. cit.

12 Vagianos, L. 'Libraries: leviathanic vagrants on a 'Titanic' trip ,
Library Journal, 98(9), 1 May 1973, 1449-1451

13 Usherwood develops his argument in his paper to the Library Advisory
Council (England), Library Charges and some other socio-economic
considerations arising from recent developments in information
technology, (unpublished)

14 Ibid. Section 9, partly quoting Hoel, I.A.L. The dual concept of
information (unpublished abstract of a paper given to the 39th FID
Conference, 1978).

15 National Consumer Council The fourth right of citizenship 1978

Williams, M.E. and Dunatov, E.T. 'Data bases for coping with human needs'
Drexel Library Quarterly, 12 (1 & 2) 1976, 10-38

Stokes, P. 'The public library and the corporate state', Assistant
Librarian, Dec 1978, 130-135.

16 Public Libraries and Museums Act (1964), Section 8, clauses 1 & 2. The
PLMA applies to England and Wales only. Scotland and Northern Ireland

are covered by separate, though similar, Acts.

17 Ibid. section 8 clause 5

18 Ibid. section 7 clause 2a

19 Ibid. section 8 clause 4

20 Library Association The case against charges for public library services, statement issued in June 1977 and published in a shortened form as an insert to the Library Association Record, 80 (9), Sept 1978

American Library Association Resolution on 'Free access to information', passed A.L.A. Conference, Detroit, 1977

The Eusidic resolution passed at its 4th, Frascati, Conference in 1973 carries similar, though perhaps not charge-free, overtones "information must be considered as a major resource and as such must be accessible to the largest possible number of users such as public and private institutions, social groups, individuals" etc....
The future of co-operative information processing in Europe, ESRO 1974

21 Birks, C.I. Information services in the market place, British Library R & D report no. 5430), 1978, suggests the cost of fee collection is £2-£10 (p. 34)

22 Terry, M.W. 'Voluntary charges: experience of the middle road', in Spigai F.G. and others (eds.) Information roundup...proceedings of the 4th ASIS Mid year Meeting May 1975, ASIS, 1975, 171-175

23 Some clauses in the BLAISE Schedule of Terms and Conditions for Agents has caused a certain amount of concern amongst the public librarians taking part in the current projects (2 & 7) above, e.g. that stipulating a resale price at least as high as Tariff C. There are also rumblings of 'unfair competition' from 'information brokers' and suggestions that free public library on-line services might be less dynamic than free enterprise ones and lead to a decline of hard copy services. The former are common when any government supported body provides a service. The latter does not do justice to the fact that the major cost of both forms is in setting up the 'copy', which can produce both types of output.

24 "Traditionally, users of business information are willing, and perhaps even prefer, to pay for it" Birks, op. cit, p. 4 Holland, S. The socialist challenge, Quartet, 1975, indicates the extent of public subsidies to large businesses and multinationals (p. 65-69)

25 Vickery and Batten, op. cit. discuss the different impact of charges on University staff and student end-users

26 Cf. the comparative results for the free, half cost and full cost recovery of the DIALIB Project (1 above)

27 Quoted (slightly out of context) from Dammers, H.F. 'Information planning and economic realities' in the Eusidic Conference proceedings, 20 above, 9-21 (p. 13)

Vickery A and Batten A. Large scale evaluation of on-line and batch computer information services. University of London, 1978.

12